

House Republican Press Release

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Bill Cosponsored by Rep. Hovey To Prevent Gift Cards from Expiring Gains Final Legislative Approval



The state House of Representatives today gave final legislative approval to a bill (Senate Bill 123) cosponsored by state Representative DebraLee Hovey that would prohibit the sale of gift certificates that are subject to expiration dates.

“Persons who receive gift certificates often cannot find items they want to buy when they go to the store that issued them. Rather than use a gift certificate to buy something they neither want nor need, they put the card away intending to use it at a later date, but fail to redeem it before the expiration date,” said Representative Hovey, R-112th District.

“That’s unfair to both the people who bought them and those who received them as gifts. They were purchased in good faith and the stores that sold them should honor their cards regardless of when they are presented for redemption. This legislation will protect the value of gift certificates that are not used immediately to buy merchandise. It is a consumer-friendly measure that will enable people who receive them as birthday or Christmas gifts to use them at their discretion,” Representative Hovey said.

The legislation, which was approved by the state Senate May 26th, was sent to Governor M. Jodi Rell to be signed into law.

Under current law, a gift card is presumed abandoned if it is not used within three years. If the owner fails to redeem it within three years, its value is transferred to the state treasury.